and petroleum products in the international market, Rupee-Dollar exchange rate variation, increase in the Rail freight and changes in the Customs and Excise duty announced in the Finance Bill for 1996-97. The cumulative outstandings of the oil companies from pool account are estimated to be Rs. 15,500 crores as on 31.3.97 and projected to be Rs. 24,500 crores by 31.3.98 if remedial measures are not taken.

The mounting outstanding have resulted in oil companies experiencing severe cash crunch necessitating them to resort to huge borrowings which are estimated to be Rs. 23,000 crores by 31.3.97.

The position of the oil pool account is being monitored on a continuous basis and Government is exploring various options to contain the deficit in the oil pool account.

Petroleum Products

*555. SHRI MULLAPPALLY RAMACHANDRAN:

SHRIMATI VASUNDHARA RAJE:

Will the PRIME MINISTER be pleased to state:

(a) whether the Oil and Natural Gas Corporation and Oil India Limited propose to launch a major programme to step up deep water exploration to discover new hydrocarbons reserves to off-set the adverse impact on oil production due to declining production from existing oil and gas fields;

(b) if so, whether a two day International Conference on deep water exploration technology was held in March, 1997;

(c) the main recommendation made at the conference;

(d) whether any areas have been identified;

(e) if so, the time by which the work is likely to be undertaken in these areas;

(f) the initial total expenditure likely to be involved on these projects;

(g) the areas likely to be covered during 1997; and

(h) the number of foreign and Indian companies likely to be involved in this task ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) Yes, Sir. ONGC has taken up a programme for deep-water exploration.

(b) Yes, Sir.

(c) The Conference took stock of the various technological options now available for substantially reducing the cost of deep water exploration.

(d), (e) and (g) Two locations in the Kerala-Konkan offshore and one location each in Cauvery and Krishna-Godavari offshore have been identified. Drilling is likely to commence in Kerala-Konkan offshore in December, 1997.

(f) The estimated expenditure in 1997-98 in drilling and upgradation of the drillship is Rs. 82 Crs.

(h) ONGC may hire the services of internationally reputed deep-water drilling companies.

Shortfall in Revenue Collection

*556 SHRI SOMJIBHAI DAMOR: Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there is shortfall in the revenue collection in respect of Excise & Customs during last year;

(b) whether it is also a fact that there is an increase in the smuggling activities;

(c) whether malpractices in transfer/postings of senior/top level officers in the Excise & Customs are mainly responsible for this State of affairs;

(d) whether performance-based posting policy will be enforced to reduce favouritism; and

(e) if so, details thereof ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) So far as revenue collection is concerned, according to provisional figures both Central Excise Revenue and Customs Revenue collected during 1996-97 have been higher than that in 1995-96. However, there is some shortfall in respect of Customs duties in comparison to the ravised Budget Estimates that was fixed for 1996-97.

(b) There is no report to suggest that there is any increase in smuggling activities.

(c) to (e) The postings/transfers of senior/top level officers in the Department both in Excise and Customs side are made having due regard to the prescribed policy guidelines for postings/transfers of officers at various levels and after taking into account the administrative exigencies as well as suitability of officers for certain specific assignments.

Target Group of RRBs

*557. SHRI KRISHAN LAL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether the Regional Rural Banks, were set up primarily to cater the target groups in rural areas;

(b) whether the Government have now diverted from its original stand and has directed the Regional Rural Banks to finance 60 percent of their total landing to non-target groups; and

(c) if so, the reasons therefor ?

THE MINISTER OF FINANCE (SHRI P. CHAIDAMBARAM) : (a) to (c) Regional Rural Banks (RRBs) were set up with the following broad objectives :-